

7 June 1948

MEMORANDUM FOR THE DIRECTOR OF CENTRAL INTELLIGENCE

SUBJECT: Progress Report of the Executive for Inspection and Security for the Month of May 1948.

I. PROGRESS FOR MAY

A. Status of Security

1. During the month of May considerable progress has been made in establishing the Employee Investigative Branch, which will serve as the investigative unit for CIA personnel cases. A number of employees from other sections of I & S have been diverted to EIB in order that basic planning and organization may be established as quickly as possible. Considerable progress has been made in the procurement of investigative personnel, the drafting of manuals and procedures for field agents, the establishment of field offices, and organization of an indoctrination training program for all recruited investigative personnel.

2. Security violations for the month of May numbered 17, four more than occurred in April. During the month 78 complete security inspections were carried out by the Night Duty Security Officers. Considering the number of security violations that occurred in the month in relation to the number of cases in the Agency and the number of comprehensive night security inspections, it is evident that the employees of the Agency are readily aware of and carrying out their security responsibilities for the safeguarding of classified information.

3. During the month a minor fire occurred in the elevator shaft of [REDACTED]. The procedures established under the CIA Disaster Plan for such an emergency were immediately put into effect and the appropriate officials notified within a few moments after discovery of the fire. The fire was quickly extinguished without danger to personnel or the security of classified information. The mechanics of the Disaster Plan functioned in accordance with the established program.

B. Accomplishments and Activities During May 1948

4. Investigative Division

a. During the month approximately 60 per cent of the key personnel of this Division were loaned to the Employee Investigative

Branch in order to assist in the establishment of the new organization.

b. Copies of Federal Registers which comprehensively outline functions and responsibilities of government agencies and departments were procured in order to take full advantage of the information already gathered and on file in the various governmental organizations for security investigative purposes.

c. Cooperation was indicated by Public Buildings Administration to the effect that PBA will, upon request of CIA, remove any PBA employees from our premises without the necessity of divulging the contents of the CIA security files concerned with such removals.

d. Status of investigative cases for the month of May is as follows:

(1) Cases in Process for the Month:

Cases pending at beginning of month	595	
Plus cases received during the month	<u>190</u>	536
Less cases closed during the month		67
Cases on hand at end of month		<u>513</u>

Number of cases in process beginning of month:

With investigative facilities	391	
In process in I. & S.	<u>144</u>	
Total cases in process		535

Cases in process at end of month:

With investigative facilities	378	
In process in I. & S.	<u>142</u>	
Total cases in process		520

This is a rotating figure which includes 16 completed applicant cases awaiting appraisal; of these 20 are high school students who will graduate and be available for employment in the near future. These cases will be appraised within 4 working days. It also includes 39 low priority cases concerning reinvestigations of persons on duty. This figure also includes 49 cases in which the PHS's are requiring pre-investigation action, together with cases involving incomplete PHS's, those awaiting justification of necessary exception to existing security policy, etc.

Field Investigative Activity:

Number of cases pending in investigative facilities at beginning of month	291	
Plus number of cases submitted to investigative facilities	154	445
Less: Number of completed cases	63	
Recalls	16	60
Number of cases pending with investigative facilities at end of month		370

Cases Closed

Number of approvals	54	
Number of disapprovals	- 11	
Number of cases closed before completion of investigation	23	
Total cases closed during month		67

(2) Name Checks for [REDACTED]

Number pending beginning of month	29	
Number received during month	82	111
Number completed during month		64
Number pending		47

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(3) Name Checks for all Other than [REDACTED]

Number pending beginning of month	334	
Number received during month	278	612
Number completed during month		106
Number pending		100

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- (4) Number of Exit Interviews conducted, and interviews with employees leaving Washington, D. C., or having a temporary break in actual employment: 22
- (5) Number of files reviewed for Agents of other Government Agencies: 35
- (6) Name checks conducted for the FBI against the Security files of CIA: 126

5. Physical Security Division

a. The I & S proposal for the creation of a single guard group for all CIA buildings was discussed with the Director of FBA and appropriate members of his staff. The basic features of the proposed

plan were favorably received by FBA and a report on the organizational aspects of the plan will be submitted by that agency.

b. A survey of the proposed space for the Washington Field Office, Contact Branch, was made and a security report with appropriate recommendations submitted to OO.

c. A survey was made of the Washington Auditorium for the purpose of providing space in that area for the location of the proposed Unclassified Map Project for the Map Branch, OMR. This project will be staffed with personnel who have not been security cleared but who will be permitted to work on unclassified materials. Suitable arrangements and recommendations were made for the establishment of this group within the Auditorium area.

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d. The installation of fire alarms at 2210 "E" Street and Briggs School has been completed in accordance with requirements of the CIA Disaster Plan.

e. During the month three security indoctrination lectures were conducted for 21 newly assigned CIA personnel.

g. Security violations involving unlocked safes and exposed classified material detected as a result of inspections conducted by Night Duty Security Officers and the Guard Force during non-working hours are summarized below:

OFFICE	EXPOSED CLASSIFIED MATERIAL		OPEN SAFES	TOTAL VIOLATIONS	NUMBER OF SITES
	Top Secret	Secret & Conf.			
Dir. Off.	0	0	0	0	6
Gen. Counsel	0	0	0	0	3
ICAPS	0	0	0	0	7
ADM	0	0	0	0	254
I&S	0	1	0	1	39
OSD	0	0	2	2	201
ONE	0	0	3	3	443
O-O	0	3	0	3	173
OSO	0	0	8	8	831
Advisory Coun.	0	0	0	0	4
CFO (South Bldg.)	0	0	0	0	5
TOTALS	0	4	15	17	1966

h. Safe repair operations for the month are as follows:

Combinations Changed	Secondary Repairs Made	Major Repairs Arranged For
263	39	15

1. Activities of the Physical Security Control Staff are as follows:

Preliminary Indoctrination, Fingerprinting, Photographing, Secrecy Agreement (Including CSO)	Regular Badges Made and Issued	Limited Passes Made and Issued	Regular Badges Destroyed	Limited Passes Destroyed
33	82	5	41	

1. Night security inspections conducted by Physical Security Duty Officers of the various CIA organizational units are as follows:

<u>OFFICE</u>	<u>NUMBER OF INSPECTIONS MADE</u>	<u>REMARKS</u>
Dir. Off.	3	1 Building
Gen. Counsel	3	1 Building
ICAPS	3	1 Building
AAI	19	5 Buildings
I&S	9	3 Buildings
OCD	6	2 Buildings
ONE	10	3 Buildings
O-O	16	4 Buildings
Advisory Council	3	1 Building
Exec. Dir. & Sec. for M.I.A.	3	1 Building
GPO (South Bldg.)	3	1 Building
<b>TOTAL</b>	<b>73</b>	

E. Visitors processed by the receptionists in the various CIA buildings as follows:

<u>BUILDINGS</u>	<u>PURPOSE OF VISITS</u>					<u>Totals</u>
	<u>General Visitors</u>	<u>Applicants for Employment</u>	<u>Employees Forgotten Badges</u>	<u>New Employees Without Badges</u>	<u>Deliveries and Repairs</u>	
25X1A	83	-	1	-	99	183
"Q"	543	152	29	* 113	30	867
25X1A	90	25	4	52	5	176
South	117	10	10	41	27	205
Central	199	92	0	63	15	369
Admin.	199	-	2	-	5	206
North	478	177	0	54	118	827
2210 "B"	181	9	4	203	4	391
"L"	535	79	51	118	100	983
25X1A	103	3	1	4	110	221
Briggs School	41	22	0	44	11	118
25X1A	150	-	2	18	-	170
	35	-	2	-	-	37
<b>TOTALS</b>	<b>2782</b>	<b>577</b>	<b>110</b>	<b>710</b>	<b>540</b>	<b>4719</b>

\* Includes Returnees:

In addition to the above, 625 applicants for positions were admitted to the Personnel Branch interview room in North Building, adjoining the receptionist room. These persons were logged by the receptionist but Visitor Passes were not issued to them, as they were not admitted to the building proper.

6. Inspection and Audit Division

a. The inspection report of the Motor Fuel Section, A & M, was completed and report submitted.

b. An investigation completed on certain missing documents reported by GEM.

c. An investigation completed and a report submitted regarding the use of chain envelopes within the Agency for transmittal of classified information. Report recommended continued use of chain envelopes.

d. Preparations for a foreign inspection trip were completed.

e. Coordinated activities with Property Control Division, A & M, concerning the new Property Manual in preparation by that Division.

f. A proposed new function of the Inspection Division was resolved by assignment of the function to ICAPB.

g. The efforts of the entire staff of the Audit Branch were devoted to the continuation of the audit of Special Funds. Numerous problems developed during the course of this audit have been discussed with the appropriate officials and ways and means for the revision of certain procedures have been discussed and resolved.

7. Security Control Staff

a. During the month reviews were made and decisions rendered with respect to 13 requests for security clearances on academic papers, books, examinations and writings for publication.

b. Approximately 10 opinions and policy decisions relating to security matters were rendered in response to specific requests, such as:

(1) Revelation of connection or employment with GMI.

(2) Use of clear radio and telegram for [REDACTED] communications.

(3) Special distribution of GMI materials to members of the official U. S. delegation, International Civil Aviation Conference.

(4) Approval of form letter proposed by OO for release to certain companies in the petroleum industry.

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- c. Preliminary study and initial coordination was given to security aspects of attendance by IAC representatives at presentations and interrogations for the purpose of screening out representatives who may have been born in or have blood relatives residing in the countries which are under discussion at the interrogation or presentation.
- d. Prepared a policy decision relative to disclosure of employment by CIA on questionnaires received from sources outside the government.
- e. Security regulations were drafted for [redacted] installations located outside of continental United States setting up the procedure for the establishment of appropriate security programs in such installations.
- f. Prepared a special security policy for the dissemination of SECRET information to the Director, Office of Alien Property, Department of Justice.
- g. Conducted a study and informed Services Branch, A & M, of the security requirements in connection with the loan of linotypes from GPO for work on the printing of classified JANIS reports.
- h. Established the security policy with respect to use of printed business cards and telephone book listings of C/S field contact specialists.
- i. Security recommendations were made to A & M in connection with the placing by this Agency of subscriptions to certain categories of domestic and foreign publications for the purpose of eliminating the open listing of CIA as the subscriber.
- j. Security procedure was established for representatives from ID/OSMA and Corps of Engineers to review classified material up to SECRET in Reference Center.
- k. Appropriate inquiries were made throughout the Agency to determine if CIA is engaged in collecting and producing domestic intelligence which might be a contravention of existing prohibitions in that field.
- l. Prepared reply to the Secretary, Security Control Section, JCS, concurring substantially in a proposed draft of an informal interdepartmental agreement for the downgrading, releasing and publishing of information from captured German documents and including the suggestion that captured Japanese documents also be incorporated in the agreement.

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m. Drafted a CIA notice which was published 25 May requiring the immediate reporting to I & S of the loss or compromise of classified documents.

n. Discussed with Mr. John Tappin, Liaison Clearing Authority, Department of Commerce, aspects of CIA contacts with Bureau of Standards.

o. Advised Navy Department concerning the procedure for approval of the downgrading of certain extracts from a USCIB.

## II. PROJECTS AND PLANS FOR JUNE

### 1. Investigations Division

a. All personnel security files are being processed with a view to determine certain requirements for Physical Security Division and to include personal identifying data in each file.

b. Federal Registers which outline the functions of the various governmental departments and agencies will be studied in order to determine the capabilities of the various departments and agencies to provide security information in connection with security liaison activities.

### 2. Physical Security Division

a. Completion of arrangements for establishment of a separate CIA Guard Force for all CIA buildings.

b. Completion of plans for security indoctrination of all CIA employees not previously indoctrinated.

### 3. Inspection and Audit Division

a. Completion of foreign inspection project by Inspection Division.

b. Continuation of the audit of Special Funds which will require the efforts of the entire Audit staff.

### 4. Security Control Staff

a. Completion of a plan for the storage of vital CIA documents against the possibility of disaster.


b. Completion of security policy concerning access to intelligence files by IAC representatives.

c. Preliminary planning concerning a revision of current practices and procedures in connection with the establishment of contacts with non-IAC agencies.

  
  
Acting Executive for Inspection & Security

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IS: RLB/mth  
7 June 1948

cc: Executive Director  
Asst. Director, ORE  
Asst. Director, OO  
Asst. Director, OCD  
Asst. Director, OSO  
Executive for I & S  


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